



جامعة الإمارات العربية المتحدة
United Arab Emirates University

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Master Thesis Defense

Entitled

*BANK DEPOSIT FOR A SPECIFIC PURPOSE "IN ACCORDANCE WITH THE UAE COMMERCIAL
TRANSACTIONS LAW NO. 18 OF 1993"*

By

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Abstract

The study dealt with the issue of bank deposit for a specific purpose "in accordance with the UAE Commercial Transactions Law No. 18 of 1993". These deposits constitute the most important sources of bank financing and are the focus of economic development. The study has reached a number of results, the most important of which are: The deposit for a specific purpose is a dedicated deposit in which the bank is committed in accordance with the client's desire to allocate it for a specific purpose. The allocation may be for the client's interest, as in the case of the companies whose money is allocated to meet the dividends. The intention of the customer may be to subscribe to shares of the company or to buy shares or otherwise. The deposit may be for the benefit of the bank and upon the so-called deposit of the security deposit as if the deposit was decided to guarantee a loan borrowed by the customer or another person from the bank guaranteed by the customer for the bank or a liability to issue a letter of guarantee, or a liability for documentary credit. The depository may be for the benefit of others as is the case in return for fulfillment of a certified check, or certified check, or check disputed where the bank freezes the amount of the deposit for the benefit of the check holder etc.

The study also concluded that the deposit for a specific purpose has implications on both the depositor and the bank. The depositor is obliged to hand over the agreed amounts in the specified dates. He also undertakes to pay all the expenses incurred by the bank in order to serve his deposit. The bank in his turn accepts the deposits and uses for the agreed business. It also deposits the agreed benefits and returns the deposited amount. However, in this case, we have to differentiate that if the deposit is for the benefit of the customer, the bank is obliged to repay it as long as it is not restricted by a certain period, but if it is allocated to the interest of the bank or others, it will not be refunded until the customer's obligation has expired, as in the letter of guarantee. The study recommended the addition of an article in the Commercial Transactions Law No. 18 of 1993 for the United Arab Emirates, which deals with the legal adjustment of bank deposits for a specific purpose. The study also recommended that a central banking cash deposit system should be implemented through instructions and decisions of the Central Bank issued to conventional banks and Islamic banks. The transactions related to deposits differ from each other based on the differences between conventional banks and Islamic banks, especially with regard to liquidity, lending, borrowing, issuing bonds, , As well as the central bank's support for each.

Keywords: bank deposit - deposit for a specific purpose - documentary credit - letter of guarantee - securities - commercial papers.